

#5356

Agreement to Provide Government Relations Services

This document will serve to confirm and memorialize the terms of the agreement reached on January 10, 2005 between the Ministry of Foreign Affairs of the Republic of Azerbaijan, hereinafter referred to as "MFA" and The Livingston Group, LLC, hereinafter referred to as "TLG":

- It is agreed that TLG be engaged by MFA for the purposes hereinafter described, with said engagement to be effective January 15, 2005, and extending for a period of 24 months thereafter to January 15, 2007, unless the relationship shall be extended and/or renegotiated by the parties.
- The compensation to be paid to TLG shall be three hundred thousand (\$300,000) US DOLLARS per year for the term of the contract. Payments shall be on the following schedule: \$75,000 due and payable upon execution of this document; \$75,000 on April 1, 2005; \$75,000 on July 1, 2005; \$75,000 on October 1, 2005; \$75,000 on Jamary 1, 2006; \$75,000 on April 1, 2006; \$75,000 on July 1, 2006 and a final payment of \$75,000 on October 1, 2006. The fee will also cover administrative expenses incurred for filing of reports to ensure compliance with US laws such as the Foreign Agents Registration Act (FARA) and the Lobbying Act, as well as routine expenses. Extraordinary expenses such as production and printing of brochures, newsletters or special presentations, travel to/from Azerbaijan or outside the Washington metropolitan area, will be submitted for approval in advance and separately billed.
- The obligation of TLG, by and through the counsel and activities of Robert L. Livingston, Toby Moffett, Lydia Borland and other TLG employees and/or consultants, will be to represent MFA as permitted by the Foreign Agents Registration Act of 1938, the Ethics Reform Act of 1989, and other applicable United States laws and regulations. TLG shall provide MFA with government affairs representation before the government of the United States and the United States Congress, international organizations, and governments other than that of the United States, as required and mutually agreed.
- TLG will, on a good faith basis, assist local partners (as designated by MFA) in business development projects for Azerbaijan. Said assistance shall consist of identifying specific American or other companies as potential investors in the Azerbaijani marketplace. TLG will also work with said local partners to identify and promote commercial opportunities in Azerbaijan and, where necessary, provide information about potential sources of financing for these opportunities.

- The Livingston Group, LLC agrees to abide by every applicable law or regulation covering government contracts for lobbying during the implementation of this agreement. The Livingston Group, LLC is an independent contractor, and, as such, has no authority to bind MFA in any manner whatsoever, absent to the express written consent of MFA. The Livingston Group, LLC shall be solely responsible for the acts of its employees and/or agents and shall defend and hold MFA harmless from any claims which arise from said acts. The Livingston Group, LLC shall be responsible for notifying MFA of any potential conflicts between its representation of MFA and any other party.
- MFA has no authority to bind the Livingston Group, LLC in any matter whatsoever, absent the express written consent of the Livingston Group, LLC. MFA shall be solely responsible for the acts of its employees and/or agents and shall defend and hold the Livingston Group, LLC harmless from any claims which arise from said acts.

If this proposal meets with your approval, please sign and return to me a signed copy of this letter so that it may serve as our engagement instrument.

Sincerely,

ROBERT L. LIVINGSTON

Executed in duplicate originals this

day of

Hafiz M. Pashayev

Ambassador of the Republic of Azerbaijan

ROBERT L. LIVINGSTON

The Livingston Group, LLC